

House File 131

H-1016

1 Amend House File 131 as follows:

2 1. Page 1, line 21, after <loan bank> by inserting <of Des
3 Moines, Iowa>

4 2. Page 1, line 22, by striking <activities are>
5 and inserting <activities are capital level remains
6 well-capitalized pursuant to 12 C.F.R. pt. 704 and is>

7 3. Page 1, lines 27 and 28, by striking <and whose capital
8 level remains well-capitalized pursuant to 12 C.F.R. pt. 704>

9 4. Page 1, line 30, by striking <shall may> and inserting
10 <shall>

11 5. Page 1, after line 31 by inserting:

12 <Sec. ____. Section 12C.16, Code 2023, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 3. If the credit rating of the national
15 cooperative bank or the federal home loan bank of Des Moines,
16 Iowa, is lowered to a rating not within the two highest
17 classifications of prime as established by at least one of
18 the standard rating services approved by the superintendent
19 of banking by rule pursuant to chapter 17A, or a corporate
20 credit union's capital levels fall below the well-capitalized
21 standard in 12 C.F.R. pt. 704, then the national cooperative
22 bank, federal home loan bank of Des Moines, Iowa, or corporate
23 credit union shall immediately notify the treasurer of state
24 and each credit union that is securing public deposits by use
25 of a letter of credit issued by the bank or corporate credit
26 union. Each credit union, upon such a notification from the
27 national cooperative bank, federal home loan bank of Des
28 Moines, Iowa, corporate credit union, or treasurer of state,
29 shall immediately return the deposits, with interest accrued to
30 the date of notification, to the public units that are secured
31 by letter of credit.

32 Sec. ____. Section 12C.17, subsection 1, paragraph c, Code
33 2023, is amended to read as follows:

34 c. The securities shall be deposited with the federal
35 reserve bank, national cooperative bank, the federal home loan

1 bank of Des Moines, Iowa, ~~a corporate central credit union~~
2 ~~organized under section 533.213,~~ or a corporate credit union
3 whose activities are subject to regulation by the national
4 credit union administration pursuant to a bailment agreement
5 or a pledge custody agreement.>

6 6. Page 2, after line 4 by inserting:

7 <Sec. _____. Section 533.205, Code 2023, is amended by adding
8 the following new subsections:

9 NEW SUBSECTION. 10. A director of a state credit union
10 shall not receive terms or be paid a rate of interest on
11 deposits by a state credit union of which the person is a
12 director that are more favorable than that provided to any
13 other member under similar circumstances. Any waiver of
14 ordinary or customary charges related to deposit accounts shall
15 not violate this subsection.

16 NEW SUBSECTION. 11. A director of a state credit union
17 shall not purchase any assets from, lease any assets from, sell
18 any assets to, or lease any assets to a state credit union
19 of which the person is a director except upon terms not less
20 favorable to the state credit union than those offered to or
21 by other persons. All purchases from, leases from, sales to,
22 and leases to a director shall receive prior approval from the
23 majority of the board of directors voting in the absence of the
24 interested director.

25 NEW SUBSECTION. 12. A director of a state credit union
26 shall not receive anything of value, other than compensation
27 and expense reimbursement authorized by this section, for
28 procuring, or attempting to procure, any loan or extension
29 of credit to the state credit union or for procuring, or
30 attempting to procure, an investment by the state credit
31 union.>

32 7. Page 4, by striking lines 2 and 3 and inserting:

33 <c. Shares or equity interests of any corporation or
34 other entity which develops or utilizes new or innovative
35 technologies that are or may be applicable to the provision of

1 financial services or products, subject to the approval of the
2 superintendent.>

3 8. By renumbering as necessary.

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